

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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: **Chapter 11 Case No.**
: **08-13555 (JMP)**
: **(Jointly Administered)**
: **Debtors.**
: **LEHMAN BROTHERS HOLDINGS INC., et al.,**
: **In re**
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**ORDER DENYING MOTION OF MERRILL LYNCH PORTFOLIO MANAGEMENT,
INC. AND MERRILL LYNCH CAPITAL SERVICES, INC. FOR ENTRY OF AN ORDER
COMPELLING SPECIFIC PERFORMANCE OF SUBORDINATION AGREEMENT TERMS**

Upon the motion, dated June 23, 2011 [ECF No. 18033], of Merrill Lynch Portfolio Management, Inc. and Merrill Lynch Capital Services, Inc. for entry of an order compelling specific performance of the terms of a subordination agreement (the “Motion”); and upon the objection to the Motion filed by Lehman Brothers Holdings Inc. and Lehman Brothers Special Financing Inc. (the “Debtors’ Objection”) [ECF No. 18486]; and the statement of the Official Committee of Unsecured Creditors in support of the Debtors’ Objection [ECF No. 18570]; and the Court having considered all of the pleadings filed in respect of the Motion; and a hearing having been held to consider the relief requested in the Motion on July 20, 2011 (the “Hearing”); and after due deliberation, it is hereby

ORDERED that, for the reasons set forth by the Court on the record of the Hearing, the Motion is denied with prejudice; and it is further

ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: New York, New York
July 27, 2011

s/ James M. Peck
Honorable James M. Peck
United States Bankruptcy Judge